

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

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19 CR 90 WMC

UNITED STATES OF AMERICA

INDICTMENT

v.

Case No. _____
26 U.S.C. § 7201

FREDERICK G. KRIEMELMEYER,

Defendant.

THE GRAND JURY CHARGES:

INTRODUCTORY ALLEGATIONS

1. At times material to this indictment:

a. The defendant, FREDERICK G. KRIEMELMEYER (the defendant), was a resident of Spring Grove, Minnesota, and operated a dental practice in La Crosse, Wisconsin, located in the Western District of Wisconsin.

b. The Internal Revenue Service (IRS) was and is an agency of the United States, within the Department of the Treasury, responsible for enforcing and administering the tax laws of the United States.

c. On or about November 19, 2007, the defendant was ordered by the United States District Court for the Western District of Wisconsin to pay \$135,337 to the IRS for his unpaid individual income tax liabilities for calendar years 2000, 2002, 2003, and 2004.

d. In or about June 2011, the defendant opened a dental practice in La Crosse, Wisconsin, which operated by charging and receiving payment from patients directly for services.

e. In or about August 2011, the IRS issued notice to the defendant of the assessment of additional individual income taxes, penalties, and interest for calendar years 2000 through 2004.

f. On or about December 31, 2012, the defendant received a notice mailed by the IRS of a tax lien for an unpaid tax balance of \$453,889, which corresponded to his unpaid balance of individual income taxes, penalties, and interest for calendar years 2000 through 2004.

COUNT 1

1. The Introductory Allegations are incorporated here.
2. From at least in or about June 2011 and continuing through at least in or about February 2019, in the Western District of Wisconsin and elsewhere, the defendant,

FREDERICK G. KRIEMELMEYER,

willfully attempted to evade and defeat the payment of income tax due and owing by him to the United States of America, for the calendar years 2000 through 2004, by committing the following affirmative acts, among others:

- a. Requiring his dental patients to pay for services in a manner to avoid creating paper and tax records, including by, among other methods, cash, checks payable to cash, and checks with the payee line left blank;
- b. Encouraging his dental patients to pay him for services with cash by offering a discount to patients who paid with cash;
- c. Paying his business and personal expenses in a manner to avoid creating paper and tax records, including by, among other methods, using cash, proceeds from

cashed checks, money orders, and checks received from his dental patients, including to pay wages for an individual working in his dental office, and the rents on his office and personal residence; and

d. Running his business in a manner to avoid creating paper and tax records, including by avoiding the creation of paystubs and other paper records of employment.

(In violation of Title 26, United States Code, Section 7201).

COUNT 2

1. The Introductory Allegations are incorporated here.

2. During the calendar year 2013, the defendant, FREDERICK G. KRIEMELMEYER, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing the foregoing facts, and failing to make an income tax return on or before April 15, 2014, as required by law, to any proper officer of the IRS and to pay the income tax to the IRS, the defendant,

FREDERICK G. KRIEMELMEYER,

from in or about January 2013 through in or about April 15, 2014, in the Western District of Wisconsin and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2013, by committing the following affirmative acts, among others:

a. Requiring his dental patients to pay for services in a manner to avoid creating paper and tax records, including by, among other methods, cash, checks payable to cash, and checks with the payee line left blank;

b. Encouraging his dental patients to pay him for services with cash by offering a discount to patients who paid with cash;

c. Paying his business and personal expenses in a manner to avoid creating paper and tax records, including by, among other methods, using cash, proceeds from cashed checks, money orders, and checks received from his dental patients, including to pay wages for an individual working in his dental office, and the rents on his office and personal residence; and

d. Running his business in a manner to avoid creating paper and tax records, including by avoiding the creation of paystubs and other paper records of employment.

(In violation of Title 26, United States Code, Section 7201).

COUNT 3

1. The Introductory Allegations are incorporated here.

2. During the calendar year 2014, the defendant, FREDERICK G. KRIEMELMEYER, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing the foregoing facts, and failing to make an income tax return on or before April 15, 2015, as required by law, to any proper officer of the IRS and to pay the income tax to the IRS, the defendant,

FREDERICK G. KRIEMELMEYER,

from in or about January 2014 through in or about April 15, 2015, in the Western District of Wisconsin and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2014, by committing affirmative acts, among others:

a. Requiring his dental patients to pay for services in a manner to avoid creating paper and tax records, including by, among other methods, cash, checks payable to cash, and checks with the payee line left blank;

- b. Encouraging his dental patients to pay him for services with cash by offering a discount to patients who paid with cash;
- c. Paying his business and personal expenses in a manner to avoid creating paper and tax records, including by, among other methods, using cash, proceeds from cashed checks, money orders, and checks received from his dental patients, including to pay wages for an individual working in his dental office, and the rents on his office and personal residence; and
- d. Running his business in a manner to avoid creating paper and tax records, including by avoiding the creation of paystubs and other paper records of employment.

(In violation of Title 26, United States Code, Section 7201).

COUNT 4

- 1. The Introductory Allegations are incorporated here.
- 2. During the calendar year 2015, the defendant, FREDERICK G.

KRIEMELMEYER, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing the foregoing facts, and failing to make an income tax return on or before April 15, 2016, as required by law, to any proper officer of the IRS and to pay the income tax to the IRS, the defendant,

FREDERICK G. KRIEMELMEYER,

from in or about January 2015 through in or about April 15, 2016, in the Western District of Wisconsin and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2015, by committing the following affirmative acts, among others:

- a. Requiring his dental patients to pay for services in a manner to avoid

creating paper and tax records, including by, among other methods, cash, checks payable to cash, and checks with the payee line left blank;

b. Encouraging his dental patients to pay him for services with cash by offering a discount to patients who paid with cash;

c. Paying his business and personal expenses in a manner to avoid creating paper and tax records, including by, among other methods, using cash, proceeds from cashed checks, money orders, and checks received from his dental patients, including to pay wages for an individual working in his dental office, and the rents on his office and personal residence; and

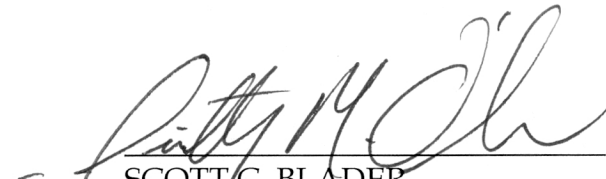
d. Running his business in a manner to avoid creating paper and tax records, including by avoiding the creation of paystubs and other paper records of employment.

(In violation of Title 26, United States Code, Section 7201).

A TRUE BILL,


PRESIDING JUROR

Indictment returned: 6/26/2019


SCOTT C. BLADER
United States Attorney